



M E D I A R E L E A S E

STATE OF TENNESSEE
BUREAU OF TENNCARE

FOR IMMEDIATE RELEASE
APEIL11, 2003

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STATEMENT FROM TENNCARE DIRECTOR MANNY MARTINS REGARDING UNIVERSAL CARE OF TENNESSEE, INC.

NASHVILLE, Tenn. –“TennCare has unilaterally terminated its managed-care contract with Universal Care of Tennessee Inc., effective June 1. The termination is the result of concerns about a range of management issues related to Universal Care, including questions about the company’s net worth, delays in claims processing and unauthorized transfers of funds to an affiliated company.

“TennCare had hoped to reach a mutual agreement with Universal Care that would allow the company to voluntarily cease operations as a TennCare MCO. Universal Care refused to accept these conditions, and instead chose to prolong this situation by pursuing a baseless claim in federal court.

“We want to assure TennCare enrollees and providers that the termination of Universal Care’s contract will not result in a disruption of patient care or claims processing. The State of Tennessee is working hard to ensure an orderly transfer of all of Universal Care’s approximately 95,000 enrollees to TennCare Select, Tennessee’s ‘safety net’ plan, which is managed by Blue Cross/Blue Shield. Going forward, patients will receive care and doctors, hospitals and other providers will be promptly paid.

“Finally, Universal Care will remain under regulatory supervision by the Tennessee Department of Commerce and Insurance. This will ensure a responsible level of regulatory oversight for the remainder of Universal Care’s limited time as a TennCare MCO.”

TennCare is the state’s managed care health insurance program for over 1.3 million poor, disabled or uninsured Tennesseans. People who have questions about TennCare or need help with reverification should call the TennCare Information Line at 1-800-669-1851.

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